

# Remarks at the American Council on Renewable Energy

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**Commerce Secretary Gary Locke**

**Remarks at the American Council on Renewable Energy**

Thank you for those kind words. It's a pleasure to be here today.

I remember the last time I spoke at an ACORE event was earlier this year during Snow-mageddon.

Everything had shut down and the roads were a disaster – but we played through it. Anyway, it's nice to be back with you.

The American Council on Renewable Energy has been beating this drum for a long time on the importance of clean and renewable energy. I can assure you that there are plenty of kindred spirits in the Obama administration working hard towards similar goals.

When more of America's energy comes from cleaner, renewable energy, our economy will be more competitive and our energy security more assured.

I know many of you shared our disappointment over the fact that we were unable to get comprehensive climate and energy legislation through the Senate last year. But as President Obama has said consistently, this issue will continue to be a priority for the administration and, in the next Congress, we will look for other ways to "skin the cat."

We are committed to pursuing other means to address our nation's climate and energy challenges. Many of those underlying policy components have enjoyed bipartisan support in the past, such as renewable electricity portfolio standards.

I'd like to encourage all of you to keep working beside us as we move forward because there is a lot we can still do to build a clean energy economy that reduces our dependence on foreign oil, cleans up our air, and creates a whole new generation of American jobs.

Today, I'm eager to talk about some of the things we've already done, as well as a new export initiative that I think will be a big help to all of you.

When you're talking about scaling up renewable energy, it all begins with innovation, which has always been such an integral part of America's economic DNA. We first harnessed the electricity of an atom; we developed the Model T, and created the first solar cell.

Since we developed that first model T, we have seen staggering advancement in how we manufacture cars and other goods.

We developed the first microprocessors in the middle of the last century – and now we double the speed of those every 18 months.

But energy is an outlier. It has traditionally been one of the most innovation-resistant areas of our economy. Of course, industry has made unbelievable advancements in how fossil fuels are extracted from the ground. And the work your companies are doing is on the cutting edge of science and technology.

But achieving fundamental change – where America moves from relying primarily on dirty and largely foreign sources of fossil fuels to domestically produced clean energy – is something where there's been a lot of talk and not much action for about 40 years.

From the earliest days of the Obama administration, we have been working to change that.

President Obama's Recovery Act made the single largest investment in clean energy in our nation's history.

The package included \$90 billion for clean energy technology, to promote everything from advanced wind turbines and solar panels to new battery technologies and the modernization of our electricity grid.

And I think the quality of these investments is evidenced by the fact that this \$90 billion in federal dollars has spurred \$110 billion in additional capital, from businesses, universities and others.

Aside from these historic Recovery Act clean energy investments, the administration has made plenty of other progress to incentivize more renewable energy and better efficiency.

Working with the automotive industry, we set tough new fuel-economy standards and the first greenhouse gas emissions standards for cars and light trucks. This will save 1.8 billion barrels of oil and save consumers money everytime they fill up their tank.

But we didn't stop there. Working with the truck industry, we proposed the first fuel-economy standards for heavy-duty trucks. This comprehensive national program is projected to save 500 million barrels of oil over the lives of the vehicles produced within the program's first five years.

We also spearheaded a new commitment by the largest nations in the world to eliminate fossil-fuel subsidies. As many of you are aware, that isn't just a problem abroad, it's a problem here.

Consider the fact that between 2002 and 2008, the U.S. subsidized fossil fuels three times as much as we did renewables.

That makes absolutely no sense. We can't on the one hand say we want to produce more renewable energy, while at the same time having subsidies and marketplace incentives that encourage companies to do the exact opposite.

With the president's continued leadership, I'm hopeful we can see continued progress on this issue.

I did want to mention one other clean energy program in particular – the Treasury Grant Program.

This program has been a remarkable success, and provided much needed support to the industry when financing and capital were at their lowest point. We have worked hard to implement this program and worked closely with many of you in this room to make it as effective as possible.

It is responsible for creating thousands of jobs across the country, and we strongly believe it should be extended. It is not part of the current tax package, but we remain committed to continuing these vital tax provisions and will continue to look at every option to achieve that objective.

This Treasury Grant Program, along with all the administration's other clean energy initiatives undertaken in the last two years have made a significant impact. And with all of you leading the way, we are on track to reach President Obama's goal of doubling clean energy production by 2012.

Of course, spurring domestic clean energy innovation is only half of the picture.

Getting those new technologies in the foreign markets that will be so hungry for them is the other.

Think about this for a moment.

To meet the energy demands of the 9 billion people expected to be on the earth in 2050, the world will need to construct two 1,000 megawatt power plants every single week.

And even that daunting statistic undersells the challenge.

Because the world's climate can't afford for us to be building two dirty coal plants a week for the next 40 years. We've got to create technologies that draw energy from cleaner sources, and we've got to get them to places like India and China that will have the most intense energy demand.

That is why I'm happy today to announce the Renewable Energy and Energy Efficiency Export Initiative – an effort of eight separate U.S. Government agencies – co-chaired by the

Departments of Commerce and Energy -- to focus our resources on meeting the exporting needs of your industry.

Exports are already a central part of the administration's economic recovery strategy. Earlier this year, President Obama announced his National Export Initiative, which aims to double total U.S. exports in five years in support of two million American jobs.

The Renewable Energy and Energy Efficiency Export Initiative will help meet the president's overall export goals, while also focusing on the specific needs of the renewable energy and energy efficiency industries.

For instance, we know that financing is a significant barrier for some of you -- which is why the Export-Import Bank, the Overseas Private Investment Corporation and the U.S. Trade and Development Agency have teamed up to produce new financing products specific to this sector.

To cite one example, the Overseas Private Investment Corporation will offer a new subordinated debt product geared towards energy efficiency improvements. The financing will cover 100 percent of the project's cost and can be paid back with cost-savings from the efficiency improvements.

In addition, the Export-Import Bank has agreed to investigate the possibility of providing pre-export loans to renewable energy companies. They recently did something similar with the solar company Suniva, providing them with a working capital loan that will help the company meet existing export orders.

Under the Renewable Energy and Energy Efficiency Export Initiative, we'll also be working to enhance market access for U.S. companies.

Over the course of the Initiative, the Department of Commerce will lead 2-3 trade policy missions every year to key potential markets. Earlier this year, I led a very successful trip of about 30 clean energy companies to China and Indonesia.

Please stay tuned for updates on future trade missions -- it is a great way to enter a new market and an even better way to meet distributors and partners.

To further promote a reduction in market access barriers, the U.S. Trade Representative, Ron Kirk, and his office have also agreed to create a new subcommittee on renewable energy and energy efficiency to target those specific barriers that hinder the export ability of U.S. companies in the sector.

Now, I know I just ticked through a pretty extensive list of new services available to all of you -- and one of the complaints I frequently hear from business owners of all kinds is that our resources are too dispersed and too difficult to understand to be fully utilized.

That is why we are also launching a new online exporters guide and website, specifically designed for U.S. companies in the renewable energy and energy efficiency sectors. You can find it at [export.gov/reee/](http://export.gov/reee/).

This website combines information and services from all agencies in one place for easy reference.

In closing let me just urge you to continue doing what you are doing; producing and marketing vital new technologies and products for a cleaner energy future. You represent one of the great growth industries of the 21st century.

The potential for new business and new job creation is astounding – and the Department of Commerce and the rest of the U.S. Government is about helping turn that potential into reality.

The Renewable Energy and Energy Efficiency Export Initiative is going to help. It will hopefully make your job easier and your Government more responsive to your specific needs as renewable energy and energy efficiency companies.

Thank you, and keep up the great work.